From: Danny Luong

To: R9AirPermits SC; WARD, LA WEEDA

Subject: RE: Proposed Significant Revisions to Title V Facility Permits- Tesoro Refining & Marketing Co. LLC.

Date: Friday, May 20, 2016 5:19:07 PM

Attachments: Tesoro Title V Permit Revision Second Extension Notice.pdf

Tesoro Draft EIR Second Extension Notice.pdf

Ms. Ward,

The SCAQMD has decided to further extend the due date for comments on these proposed Title V Permit revisions. Please see the notice below and attached notices, which were sent out to interested parties, posted on our web pages, and published on newspapers.

Best Regards,

Danny Luong, P.E.

Senior Manager

RECLAIM Administration, Refinery

Permitting, & Retail Gasoline Dispensing

SOUTH COAST AQMD

(909) 396-2622

Public Comment Period Further Extended for Tesoro's Refinery Integration Project

South Coast Air Quality Management District officials today announced an additional 17-day extension of the comment period for the Draft Environmental Impact Report (EIR) and proposed Title V permit revision for the Tesoro Los Angeles Refinery Integration and Compliance (LARIC) project at their two refineries in Carson and Wilmington. The comment period previously scheduled to end on May 24 will now end on June 10 for both the draft EIR and the proposed Title V permit revision.

"During the SCAQMD public meeting this week on the Tesoro LARIC project, many local residents requested an extension of the comment period," said Wayne Nastri, SCAQMD's acting executive officer. "Therefore we have decided to grant a second extension of time for the comment period." Tesoro also expressed a desire to provide more time for the public to learn about the LARIC project, Nastri said.

SCAQMD officials had previously extended the 45-day draft EIR comment period to 77 days and the 31-day proposed Title V permit revision comment period to 71 days. This latest extension will provide 94 days to review the draft EIR and 88 days to review the proposed Title V permit revisions, more than double what is required by law.

The Tesoro LARIC Project will integrate the adjacent Carson and Wilmington operations into one refinery and remove, add and modify a number of processes. The draft EIR and the proposed Title V permit revision can be found on SCAQMD's website at www.aqmd.gov/home/library/documents-support-material/lead-agency-permit-projects.

The Draft EIR examines in detail potential environmental impacts from the project. The proposed Title V permit is a federal operating permit required under Title V of the federal Clean Air Act.

SCAQMD is the air pollution control agency for Orange County and major portions of Los Angeles, San Bernardino, and Riverside counties.

From: Danny Luong

Sent: Friday, May 20, 2016 11:14 AM

To: 'R9AirPermits_SC' <R9AirPermits_SC@epa.gov>

Subject: RE: Proposed Significant Revisions to Title V Facility Permits-Tesoro Refining & Marketing Co. LLC.

Ms Ward,

Yes, we are in receipt of your comments. As you may know, we have extended the comment period for this proposed revision due to the public's high level of interest. At the end of the comment period we will be compiling the public

comments, provide our response to those comments as well as EPA's comment. We will submit them in one package to EPA before issuing the permit revisions. Currently, we anticipate completing this sometime late July – early August. Please contact me if you have further questions.

Best regards,

Danny Luong, P.E.
Senior Manager
RECLAIM Administration, Refinery
Permitting, & Retail Gasoline Dispensing
SOUTH COAST AQMD
(909) 396-2622

From: WARD, LA WEEDA [mailto:WARD.LAWEEDA@EPA.GOV] On Behalf Of R9AirPermits SC

Sent: Friday, May 20, 2016 10:59 AM

To: R9AirPermits_SC < R9AirPermits_SC@epa.gov >; Vianne Setiadi < vsetiadi@aqmd.gov >

Cc: Danny Luong <<u>dluong@aqmd.gov</u>>; Khang Nguyen <<u>KNguyen@aqmd.gov</u>>; Bhaskar Chandan

<<u>BChandan@aqmd.gov</u>>; Rafik Beshai <<u>RBeshai@aqmd.gov</u>>; Sawsan Andrawis <<u>SAndrawis@aqmd.gov</u>>; Lisa Wong <<u>Iwong@aqmd.gov</u>>; Rios, Gerardo <<u>Rios.Gerardo@epa.gov</u>>; Christman, June M. <<u>June.M.Christman@tsocorp.com</u>>

Subject: RE: Proposed Significant Revisions to Title V Facility Permits- Tesoro Refining & Marketing Co. LLC.

Hello: I just wanted to make sure, SCAQMD saw these comments I submitted on April 19, 2016.

La Weeda Ward Environmental Engineer Region 9 Air Division, Air Permits Office (Air-3)

Southern California Field Office 600 Wilshire Blvd., Suite 1460 Los Angeles, CA 90017

Phone: (213) 244-1812/ Fax (213) 244-1850

ward.laweeda@epa.gov

From: WARD, LA WEEDA On Behalf Of R9AirPermits SC

Sent: Tuesday, April 19, 2016 11:14 AM

To: Vianne Setiadi vsetiadi@aqmd.gov">vsetiadi@aqmd.gov; R9AirPermits SC R9AirPermits R9AirPermits R9AirPe

<<u>BChandan@aqmd.gov</u>>; Rafik Beshai <<u>RBeshai@aqmd.gov</u>>; Sawsan Andrawis <<u>SAndrawis@aqmd.gov</u>>; Lisa Wong <<u>lwong@aqmd.gov</u>>; Rios, Gerardo <<u>Rios, Gerardo@epa.gov</u>>

Subject: RE: Proposed Significant Revisions to Title V Facility Permits- Tesoro Refining & Marketing Co. LLC.

Thank you for the opportunity to review Proposed Significant Revisions to Title V Facility Permits - Tesoro Refining & Marketing Co. LLC. EPA offers the following comments on the proposed revisions:

- 1. Please provide a spreadsheet detailing an accounting of emissions increases exempted pursuant to Rule 1304 (c)(2) and/or planned use of ERCs across the various permit applications that make up the Los Angeles Refinery Integration and Compliance (LARIC) project. This spreadsheet should include all previous and future application submittals that make up the LARIC for which emissions increases are offset or exempt.
- 2. An example of why creation of the above spreadsheet is important can be found on page 19 of the engineering evaluation for the planned modification to the Hydrotreater Unit #4. In evaluating the Rule 1303 (b)(2) offsets required provision, the district specified an offset exemption allowed under Rule 1304(c)(2). Rule 1304 (c)(2) allows an offset exemption for a "Concurrent Facility Modification" that results in a net emissions

decrease that occurs after the date of application submittal for a permit to construct but before the operation of the source. It is indicated that the planned future shutdown of the Wilmington Fluid Catalytic Cracking Unit (FCCU) will provide the needed 5.5 lbs/day of internal VOC offsets through a concurrent facility modification reduction. Although the submittal does indicate that the Wilmington FCCU shut down is planned for April/May 2017, there is no indication in the district's submittal that the startup of the modified Hydrotreater unit will occur after the FCCU shutdown as required per Rule 1304 (c)(2).

Please contact me know if you have questions or need to discuss.

La Weeda Ward Environmental Engineer Region 9 Air Division, Air Permits Office (Air-3)

Southern California Field Office 600 Wilshire Blvd., Suite 1460 Los Angeles, CA 90017

Phone: (213) 244-1812/ Fax (213) 244-1850

ward.laweeda@epa.gov

From: Vianne Setiadi [mailto:vsetiadi@aqmd.gov]

Sent: Tuesday, March 08, 2016 5:58 PM

To: R9AirPermits_SC < R9AirPermits_SC@epa.gov>

Cc: Danny Luong <<u>dluong@aqmd.gov</u>>; Khang Nguyen <<u>KNguyen@aqmd.gov</u>>; Bhaskar Chandan

<<u>BChandan@aqmd.gov</u>>; Rafik Beshai <<u>RBeshai@aqmd.gov</u>>; Sawsan Andrawis <<u>SAndrawis@aqmd.gov</u>>; Lisa Wong

<lwong@aqmd.gov>

Subject: Proposed Significant Revisions to Title V Facility Permits- Tesoro Refining & Marketing Co. LLC.

Facility Name: Tesoro Refining & Marketing Company

Facility ID: 800436

Address: 2101 E. Pacific Coast Highway, Wilmington, CA

Facility Name: Tesoro Refining & Marketing Company, LLC (L.A. Refinery-Carson Operations)

Facility ID: 174655

Address: 2350 E. 223rd St., Carson, CA

Type of Mod: Proposed Significant Revisions to Title V Facility Permits

Application No.	Equipment	Description		
567643	No. 51 Vacuum Distillation Unit	Modifications to diesel collection trays by installing of a new 16-inch nozzle and replacing the top six layers of Diesel PA Bed Packing; additions of new heat exchangers, strainers and electric pumps,.		
567645	No. 1 Light Hydrotreating Unit	Modifications to Stabilizer Column RPV 3012, Stabilizer Reboiler RPV 3011, Overhead Accumulator RPV 3013, heat exchangers and feed pumps; additions of a stabilizer product coalesce, condensers and heat exchangers, and connecting a pressure safety valve to gas recovery system controlled by the Hydrocracker Flare.		
567646	Naphtha HDS Unit	Modifications by re-purposing equipment currently in service in the Iso-Octene Unit for service in the Naphtha Hydrodesulfurization Unit; additions of heat exchangers and condensate pumps, and connecting pressure safety valves to gas recovery system controlled by the No. 5		

		Flare.			
567647	C4 Alkylation Unit	Modifications by installing a new Amylene Feed Coalescer (RW 7184-289.02), heat exchangers and pumps; and re-traying Debutanizer Tower (RPV-843) with newly designed trays, and connecting a pressure safety valve to gas recovery system controlled by the South Area Flare.			
567648	LPG Railcar Loading/Unloading Rack	Modifications by installing a surge drum, a knockout pot, a vaporizer and pumps and connecting a pressure safety valves to gas recovery system controlled by the No. 5 Flare.			
567649	No. 51 Vacuum Unit Heater	Change of equipment description for No. 51 Vacuum Unit Heater to increase the heat input rating from 300 MMBtu/hr to 360 MMBtu/hr, with no physical modification.			
575837	Refinery Interconnection System	New construction of an above-ground and underground pipe bundle to connect the operations between the Carson and Wilmington sites. New pressure safety valves will be connected to gas recovery system controlled by the South Area Flare.			
575838	Iso-Octene System	Modifications by removing several vessels and repurposing them to serve the Naphtha Hydrodesulfurization Unit.			
575839	No. 5 Flare System	Modifications to allow new connections of pressure safety valves serving the LPG Railcar Loading/Unloading Rack, Alkylation Unit and Naphtha HDS Unit.			
575840	Hydrocracker Flare System	Modifications to allow a new connection of a pressure safety valve serving the No. 1 Light Hydrotreating Unit.			
575841	South Area Flare System	Modifications to allow new connections of pressure safety valves serving the Alkylation Unit and new Refinery Interconnection System.			
578248	Mid Barrel Desulfurizer Unit	Modification by installing "jump over" piping from the No. 1 Light Hydrotreating Unit to the Mid- Barrel Desulfurizer Unit			
578249	Hydrocracker Unit – Fractionation Section	Modification by installing new heat exchangers and pumps to improve the heat recovery from jet fuel products and to better cool the fractionator bottoms.			

Attachments:

- 1. EPA Cover Letter
- 2. Draft Permit Tesoro Wilmington
- 3. Draft Permit Tesoro Carson
- 4. Engineering Evaluation Wilmington (3 evaluations)
- 5. Engineering Evaluation Carson
- 6. Public Notices (English & Spanish)

Please call or email me if there is any problem with the transmission of the attached files.

Thank you.

Vianne Setiadi SCAQMD Engineering and Compliance Refinery - Permitting 21865 Copley Drive, Diamond Bar, CA 91765 909-396-2373